

Message Text

UNCLASSIFIED

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ACTION EB-08

INFO OCT-01 AF-08 ISO-00 GSA-02 INT-05 COME-00 TRSE-00

OPIC-06 XMB-04 AID-05 IGA-02 L-03 STR-04 CEA-01

CIEP-02 /051 W

-----271719Z 065033 /43

R 261548Z JAN 77

FM AMEMBASSY LUSAKA

TO SECSTATE WASHDC 4889

UNCLAS LUSAKA 0243

E.O. 11652: N/A

TAGS: ETRD, ZA

SUBJ: ZAMBIAN LOSS OF GSP BENEFITS ON COPPER

REF: STATE 1961

1. EMBASSY INFORMED GRZ BY AIDE MEMOIRE OF THE CONTENTS OF REFTEL. GRZ OFFICIALS HAVE RAISED A QUESTION AS TO WHETHER ZAMBIA HAS INDEED EXCEEDED THE 26 MILLION DOLLAR LIMITATION GIVEN THE CIRCUMSTANCES OF THEIR SALES OF COPPER TO THE U.S.

2. GRZ OFFICIALS EXPLAINED THAT ZAMBIAN COPPER WAS NOT SOLD DIRECTLY TO THE US. ZAMBIA COPPER WAS MADE AVAILABLE FOR SALE TO ZAMBIA'S COPPER MARKETING AGENCY IN THE UK. THE MARKETING AGENCY DID NOT HAVE CUSTOMERS FOR ALL THE COPPER IT HAD AVAILABLE. CONCURRENTLY, TWO UK BASED COMPANIES WITH NO DIRECT OR INDIRECT CONNECTION WITH EITHER ZAMBIA'S MARKETING AGENCY OR MINING COMPANIES FOUND THEMSELVES SHORT OF THE REQUIRED AMOUNT OF COPPER NECESSARY TO FILL COMMITMENTS THEY HAD TO SUPPLY US CUSTOMERS. ZAMBIA'S MARKETING AGENCY PROVIDED THE TWO UK COMPANIES WITH THE COPPER TO SUPPLY THOSE US CUSTOMERS. THUS, THE GRZ IS OF THE OPINION THAT ZAMBIA DID NOT SUPPLY THE US WITH THE AMOUNT OF COPPER INDICATED IN REFTEL BUT THAT A SIGNIFICANT PORTION OF THOSE SALES SHOULD BE ATTRIBUTED TO THE UK.

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3. EMBASSY IS NOT CLEAR AS TO WHETHER OR NOT ZAMBIA MARKETING AGENCY IN UK "SOLD" COPPER TO THE UK FIRMS OR "TRADED" THE COPPER FOR COPPER FROM THE UK COMPANIES WHEN THEY RECEIVED THEIR EXPECTED SUPPLIES. EMBASSY ALSO UNWARE WHETHER THIS POINT HAS ANY SIGNIFICANCE.

4. EMBASSY ECON OFFICER EXPRESSED OPINION THAT REGULATIONS

GOVERNING US GSP PROBABLY COVERED "INDIRECT" SALES OF THIS TYPE AND BASED THE VALUE OF IMPORTS ON COUNTRY OF ORIGIN RATHER THAN WHERE COPPER WAS ACTUALLY MARKETED. (OBVIOUSLY IF COPPER ENTERED US UNDER DUTY FREE GSP IT WAS NOT CONSIDERED BY US AS U.K. SOURCE COPPER.)

5. EMBASSY WOULD APPRECIATE DEPARTMENT COMMENT ON ABOVE INCLUDING VERBATUM TEXTS OF PERTINENT LEGISLATION OR REGULATIONS COVERING THE ABOVE POINTS.
LOW

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COPPER, SALES
Control Number: n/a
Copy: SINGLE
Sent Date: 26-Jan-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977LUSAKA00243
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770030-0040
Format: TEL
From: LUSAKA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770117/aaaaaomc.tel
Line Count: 72
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 882b08d1-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 77 STATE 1961
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29-Sep-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3497808
Secure: OPEN
Status: NATIVE
Subject: ZAMBIAN LOSS OF GSP BENEFITS ON COPPER
TAGS: ETRD, ZA, US
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/882b08d1-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
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